



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor

Kathleen Clarke
Executive Director

Lowell P. Braxton
Division Director

1594 West North Temple, Suite 1210

PO Box 145801

Salt Lake City, Utah 84114-5801

801-538-5340

801-359-3940 (Fax)

801-538-7223 (TDD)

August 10, 1999

TO: Minerals File

FROM: Anthony A. Gallegos, Senior Reclamation Specialist *aaJ*

RE: Site Inspection, Kyle Isenhardt, Happy Jack Mine, M/037/024, San Juan County, Utah

Date of Inspection: June 22, 1999
Time of Inspection: 1550 - 1726
Conditions: Partly cloudy, warm
Participants: Kyle and Marianne Isenhardt; Tony Gallegos and Doug Jensen, DOGM

Purpose of Inspection: To examine this large mine site while in the area which had not been inspected by the Division since 1992.

The inspection began on the pad area near the shop building. Mr. Isenhardt gave us a tour of the facilities. The shop is a metal frame building housing a battery bank and also product parts for the Isenhardt's business called Rescue Systems, Inc. This business provides a variety of climbing and rope rescue gear such as pulleys, ascenders, rappelling devices, climbing harnesses, rescue harnesses, webbing, etc. They have another company specifically associated with the mine under the name of Happy Jack Minerals.

From the shop building we next went to the underground portals. There are two main portals on the east side of the pads with gates which were open at this time. There was a stack of wooden pallets piled up outside of the portals. These portals are connected underground, although the underground workings are not very extensive. The underground workings are currently being used for dry storage of additional parts and supplies for the business. Mr. Isenhardt mentioned that he does occasionally check the radon and radiation levels in the underground workings. The underground workings are ventilated by natural ventilation pressure only and there is no underground lighting. All the power on the site is generated locally. There is another isolated portal on the west side of the pad area which is not being used. This portal is open and is currently gated and secured. Mr. Isenhardt mentioned that the roof conditions, or the "back" at this portal is not as stable and so he does not use these workings for storage. Another portal is located on the southern end of the pad in an area where the surface drainage comes in. This portal is partially caved and silted in. This portal is not being used.

There were several power poles leading down from the main pad area to the valley floor by the main highway which were noticeable. When the mine was active these poles were used to send power

down from the main generator at the mine site to the man camp and also to the water well. Now that the man camp is gone, only the water well is continuing to be used.

Mr. Isenhardt explained that the main pad area now existing at the mine site was formed by the overburden from surface mining. The Happy Jack mine was first worked by underground mining followed by surface mining. After mining the underground ore, they decided to remove the overburden so they could recover the ore left in the underground pillars. That overburden is what creates the majority of the waste dumps and the pad area now used for the facilities.

In addition to the shop building there is another metal frame building used as an office and warehouse for the business. This is a new building which was built on one of the old concrete slabs from the old buildings which were part of the mining operations. A small metal building on the bluff to the north of the office appears to be the generator location. There are several tanks on this bluff which store water and probably some diesel fuel. In addition to the office and warehouse, Mr. Isenhardt is building a house above the mine site on one of the bluffs to the east.

While on site, Mr. Isenhardt had several questions regarding the permit fees and especially why the Happy Jack is listed as a large mine requiring a permit fee of \$350.00 when the surface disturbance seems to be much less than 50 acres. He is interested in reducing the permit fee by reclaiming more of the site if needed. I explained to Mr. Isenhardt that it has generally been Division policy that once an operation is permitted as a large mine, it is always considered a large mine. The operator can perform reclamation to reduce the bond, but even if the surface disturbance is five acres or less, the site would still require a bond.

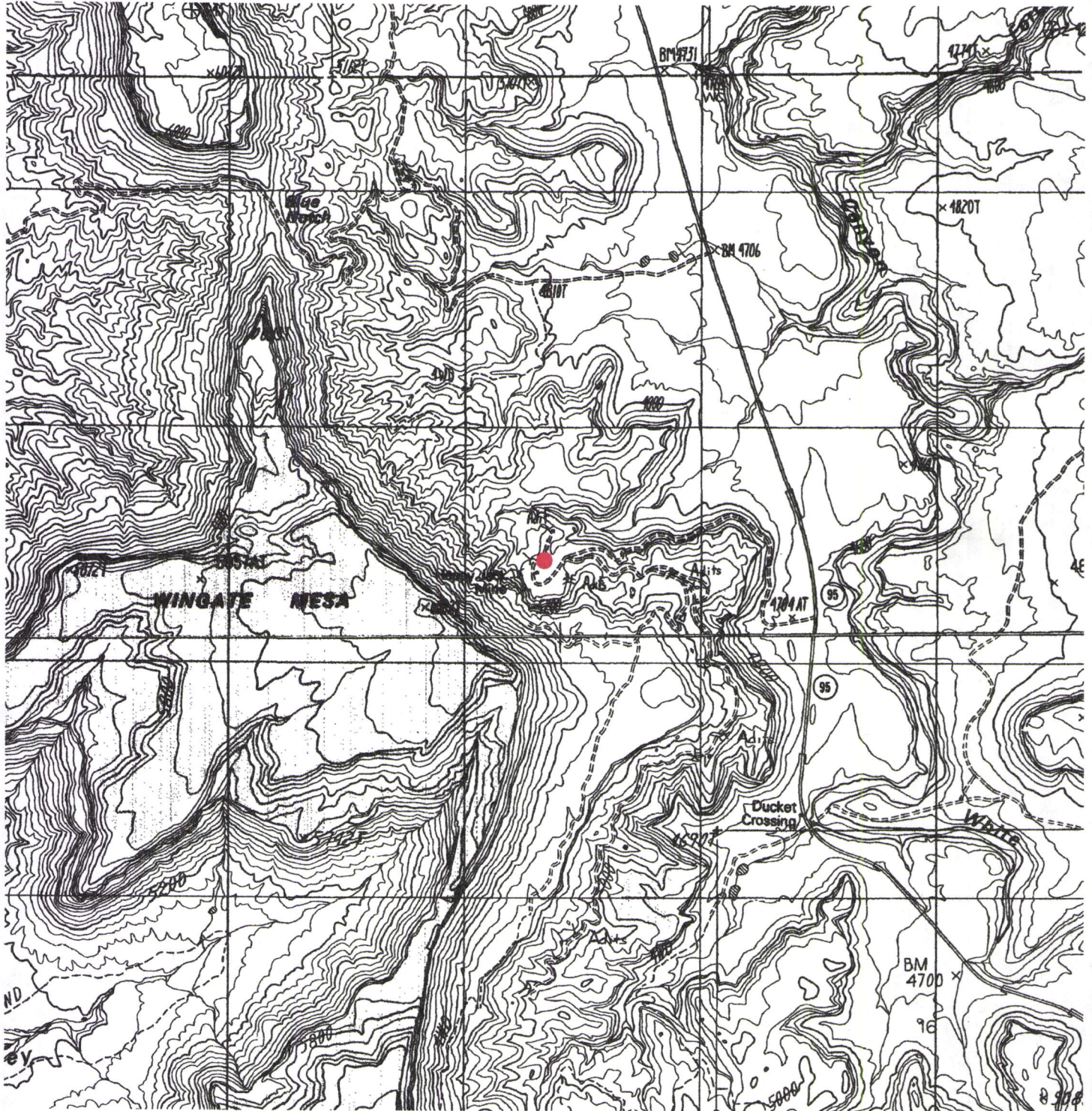
Mr. Isenhardt was also interested in the possibility of changing the postmine land use at the site. The Happy Jack mine facilities are located on patented lands with the man camp and water well located on nearby BLM lands. Changing the post mine land use to business use may allow the Division to close out this file or reduce the disturbed area. Mr. Isenhardt also had some general questions about the water rights associated with the mine. He provided the coordinates for the mine pad area in latitude and longitude as 374510.8, 111732.4. The mine site is located on the Copper Point quad map.

Mr. Isenhardt mentioned that even though the access road has signs informing people this is a mine site and no trespassing, their buildings have been vandalized and they have been visited numerous times by tourists driving up the road to the mine pad. During this inspection, Mr. Isenhardt introduced us to their security guard, Conan the Rottweiler.

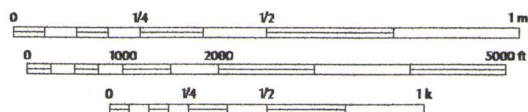
The inspection concluded with the general understanding that the Division would look into the possibility of changing the post mine land use, or refile as a small mine. Mr. Isenhardt would like the Division to contact him to discuss these options. Photographs were taken to document the current status of the mine site. The UTM coordinates for this mine site are 562341E, 4178441 N.

HAPPY JACK - M370024

Quad: Copper Point - UTM: 562341,4178441

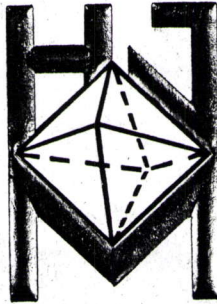


State of Utah
Department of Natural Resources
Division of Oil, Gas and Mining



Scale 1:24000 (verify scale)
Plotted August 05, 1999





HAPPY JACK MINERALS

Hwy 95, Box 330120
Lake Powell, Ut.
84533-0120

Kyle & Marianne Isenhardt

435 979-4666

*LIFELINES
EQUIPMENT*



*CONSULTING
INSTRUCTION*

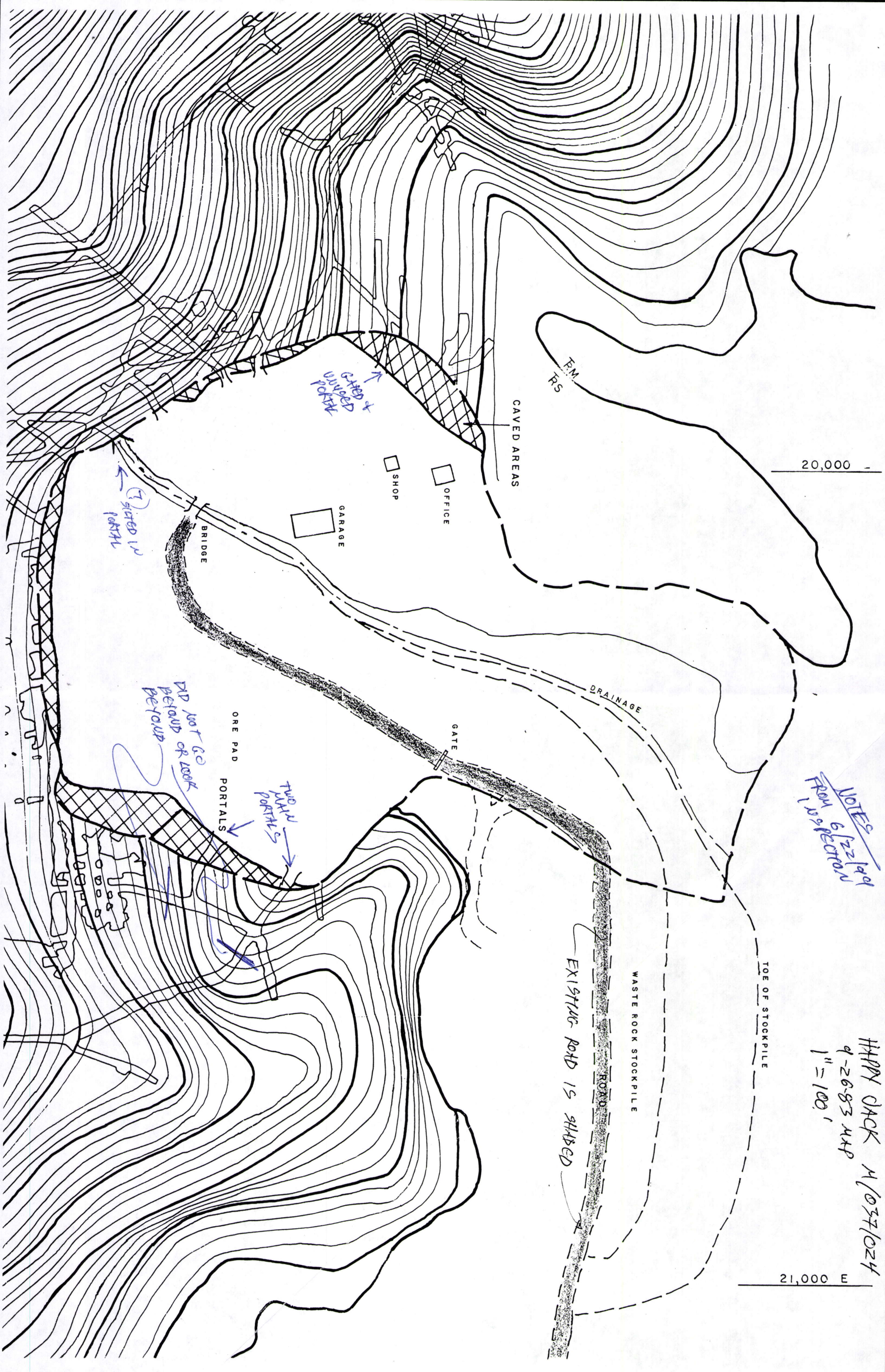
RESCUE SYSTEMS, INC.

KYLE ISENHART
PRESIDENT

HWY 95 BOX RSI
LAKE POWELL, UT 84533-0110

(800) 552-1133
(435) 979-4664
FAX (435) 979-4660





20,000

NOTES
From 6/22/1994
1" = 100'

HAPPY JACK M/037/024
9-26-83 MAP
1" = 100'

21,000 E

S/037/024 HAPPY JACK MINE



2/037/054 HAPPY JACK MINE

